STATEMENT OF

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BEFORE THE

SUBCOMMITTEE ON HEALTH COMMITTEE ON VETERANS' AFFAIRS UNITED STATES HOUSE OF REPRESENTATIVES

WITH RESPECT TO

H.R. 4514
VETERANS' MAJOR MEDICAL FACILITIES CONSTRUCTION ACT OF 2002
WASHINGTON, DC
APRIL 24, 2002

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE:

On behalf of the 2.7 million members of the Veterans of Foreign Wars of the United States (VFW) and our Ladies Auxiliary, and as the organization who authored this year's *Independent Budget* section on the Department of Veterans Affairs' (VA) construction needs, I would like to thank you for the opportunity to communicate our position on what we believe is an important piece of legislation.

The VFW subscribes to the principle that all veterans should have timely access to quality medical care. In order for VA to accomplish this mission, however, they must be able to properly operate, maintain, and improve their facilities. It is for this reason that we are pleased to support the *Veterans' Major Medical Facilities Construction Act of 2002*.

Section 2 of this legislation would expand the number of major medical facility construction projects that VA could accomplish in fiscal year (FY) 2003. Aside from the 4 seismic projects requested in the President's budget, this legislation would authorize VA to carry out an additional 6 projects ranging in category from patient environment to clinical to ambulatory care. It is our understanding that each one of these projects has been scored and is ranked in the top 15 of VA's priorities for major medical construction projects for FY 2003 and as such enjoys our full support.

At this point, I would be remiss if I did not once again emphasize our concern that one year after experiencing a 6.8 magnitude earthquake, the American Lake VA Medical Center in Washington State has yet to receive funding for structural repairs to its main hospital and nursing home.

Section 3 would authorize \$285 million to carry out the projects in Section 2. We support this authorization. It is our view that failure to adequately provide for needed major construction projects means monies allocated for health care ultimately get shifted to cover the construction shortfalls to the great detriment of the veteran. By authorizing additional dollars, this legislation is acknowledging that construction funding must be increased to keep VA's facilities in top-rate condition.

The VFW supports Section 4. This section would increase the threshold for major construction projects from \$4 million to \$6 million. This would, in turn, raise the cap on what constitutes minor construction from projects costing less than \$4 million to projects costing less than \$6 million. The VFW notes that this current limitation on minor construction funds often forces network directors to string together a series of minor projects to complete changes that are needed to realign or improve facilities or wait their turn for years to secure congressional approval for major funding. This is highly inefficient and leads to unnecessary delays, facility

disruptions, and promotes poor fiscal management practices. It is our position that the major construction threshold should be raised to \$16 million to adequately allow network directors the flexibility to design and complete projects without unnecessary delays in order to enhance services sooner. We do consider this section, however, a step in the right direction.

Finally, Section 5 of the bill would create criteria for selecting minor construction projects. The VFW supports the 5 categories and sub-categories within the section. We believe, however, that the Secretary should not be limited in the event that a project merits minor construction yet is not articulated by the bill's language. In other words, the Secretary should retain a certain amount of discretion.

This concludes my testimony and I will be pleased to answer any questions you or the members of the subcommittee may have.